

# South Carolina Board of Economic Advisors

## Statement of Estimated State Revenue Impact

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**Date:** February 23, 2007

**Bill Number:** S.B. 212

**Authors:** Lourie, Elliott, and Fair

**Committee Requesting Impact:** Senate Labor, Commerce, and Industry Committee

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### Bill Summary

To amend the Code of Laws of South Carolina, 1976, by adding Section 40-5-90 so as to provide that the closing attorney-at-law involved in a residential real estate transaction representing the purchaser where the purchaser intends to occupy the property as his principal residence must provide the purchaser at closing with an application form developed by the Department of Revenue which will entitle the purchaser to receive a four percent assessment ratio on the property and also the homestead exemption if the purchaser qualifies and to provide that the closing attorney shall request the purchaser to execute the form as appropriate and shall transmit it to the applicable county assessor for processing.

### REVENUE IMPACT <sup>1/</sup>

This bill would have no impact on General Fund revenue in FY2007-08.

### Explanation

This bill would add Section 40-5-90 to require the closing attorney-at-law representing the purchaser in a residential real estate transaction where the purchaser intends on occupying the property as his primary residence to provide to the purchaser a form developed by the Department of Revenue which will entitle the purchaser to receive a four percent assessment ratio and/or the homestead exemption if the purchaser has reached or will reach age sixty-five during the year of closing. This bill also requires the closing attorney-at-law to request that the purchaser execute the form and to transmit the completed form to the appropriate county assessor. Because this bill does not change any taxes or fees, this bill is not expected to reduce General Fund revenue in FY2007-08.

/s/ William C. Gillespie

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<sup>1/</sup> This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.